

Corporate Governance Workshop

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- Corporate Governance
- Board of Directors
- Best Practices
- Director standards and values
- Director responsibilities
- Planning and policies
- Management selection
- Management oversight
- Internal control
- External audit
- Internal audit
- Fairness
- Transparency
- Accountability
- Responsibility
- Board committees
- Loyalty, candor and care
- Independence
- Code of conduct
- Risk Management

Abstract

The Report presents the materials delivered at the Corporate Governance Workshop (“Workshop”) at the Association of Banks in Jordan Training Center for bank directors and general managers. The Workshop was a follow-up to the *Bank Directors’ Corporate Governance Handbook* that was distributed to all directors of banks in Jordan so that they are aware of what their roles and responsibilities are in governing the safe and sound operations of the banks, as well as best practices in corporate governance.

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EXECUTIVE SUMMARY

The Central Bank of Jordan's (CBJ) vision is to have an efficient and competitive banking system in Jordan that meets international standards of best practices in risk management and corporate governance, complies with applicable laws and regulations and satisfies the credit needs of the domestic economy thereby supporting the economic development of the Kingdom. Pursuant to its 2003-2008 Strategic Plan the Banking Supervision Department (BSD) of the CBJ identified as a strategic objective strengthening the corporate governance of the banks in Jordan.

Bank directors have an integral role in BSD's successful supervision: A safe and sound banking system requires responsible and knowledgeable bank management with good corporate governance and risk management systems that support sound and prudent lending and other bank policies. In addition to the *Bank Directors' Corporate Governance Handbook (Handbook)* that has been provided to bank directors to understand what the CBJ expects of them in directing the affairs of their banks, a Workshop on Corporate Governance was prepared and delivered to directors and general managers of Jordanian banks. The Workshop supplements the *Handbook* and exposed senior management and Boards to best corporate governance practices and their responsibilities pursuant to current Banking and Companies Laws.

The Workshop covered the following agenda items:

- A. What is "Good Corporate Governance" – and Why Now?
- B. The Board of Directors: the Core of Governance
- C. Governance in Banks: Special Concerns
- D. The Control Environment
- E. Special Challenges in Emerging Markets
- F. Practical Guidance on Implementing Good Governance

In an effort to assist the participating banks in assessing the current governance practices of their respective banks, a "Corporate Governance Self-Assessment" grid was provided.